



REQUEST FOR PROPOSAL

COVINGTON FIRE FLEET FINANCING

PROPOSAL ISSUE DATE: FEBRUARY 16, 2017

PROPOSAL DUE DATE: MARCH 10, 2017

VENDOR QUESTIONS AND ANSWERS

Q. Would the City be willing to entertain terms less than the 15 years for the Pumpers, and 20 years for the Aerial trucks?

A. Yes, the City is willing to entertain financing terms for Pumpers and TDA's less than 15 years and 20 years. Participants should include terms they think would be similar and favorable to the City, as well as requested terms or in place of requested terms.

Q. 1. Please confirm Covington is looking at tenors of 5, 15 and 20 years for the equipment financings.

2. Has Covington financed assets over this long of a period before?

3. Is Covington open to shorter (7 years or less) financing terms?

A. 1. Yes, I can confirm that Covington is looking at tenors of 5, 15, and 20 years for the equipment financings.

2. The City of Covington has purchased fleet equipment through bonds with longer terms in the past.

3. Yes, the City will entertain submissions for lesser terms that may be of equitable favor to the City in addition to or in lieu of the other terms requested.

Q. 1. Are the pumpers customer pumpers (vs. commercial pumpers) and can you provide a brief description? Who is the manufacturer of the pumpers?

2. Please provide a brief description of the tractor drawn aerial and identify the manufacturer.

A. 1. Custom pumpers, Seagrave Marauder II.2 113, Pumper Model #TB50CS

2. Seagrave Marauder II.2 113, Tractor Drawn Aerial Model #TT06CS

Q. What exactly is the request? On page 6 it states there is a \$3 million financing limit for FY 2017. Page 10 of the RFP lists 2 ambulances, 2 pumpers and 1 aerial unit.

Is the city requesting the following for FY 2017?:

2-Ambulances	2 @ \$243,884	= \$ 487,768 (60 months)
2-Pumpers	2 @ \$693,671	= \$1,387,342 (180 months)
1-Aerial	1 @ \$1,110,624	= \$1,110,624 (180 months)
Total		\$2,985,735

Then on Page 11 of the RFP, there is additional equipment. The equipment types are a bit different than what is listed on page 10.

Is this for FY 2018? Or, is this duplicative of that on page 10? There is no calendar year noted on page 11.

2-Pumpers	2 @ \$693,671	= \$1,387,342 (60 months; 240 months)
1-Aerial	1 @ \$1,110,624	= \$1,110,624 (240 months)
Total		\$2,497,966

Both of the groupings above would total \$5,483,700.

Will there be two (2) aerial units or just one (1)?

Four (4) pumpers or six (6)?

I am a bit confused of the ask. I understand offering term options, but on how many units and in what year?

What will the repayment source? A general obligation of the City of Covington or a dedicated revenue source? Loan or lease?

A. Page 10 and Page 11 simply ask for the financing terms associated with certain purchases at various term levels. You will notice on Page 10 Pumpers listed with (180) month terms and on Page 11 Pumpers listed with (240) and (60) month terms. The City simply wants to evaluate the best terms limits for the financing of the equipment. The City is seeking to purchase the following equipment for FY 17 through this RFP: 2 – Ambulances; 2 – Pumpers and 1-Tractor Drawn Aerial.

The repayment source will be a dedicated line of revenue. Additionally, I believe it is in the City's best interest to structure this as a financing lease, as it generally provides the best terms to the City by allowing the financier to secure collateral. However, if there is an additional costs savings to the City by structuring the financing as a loan feel free to include that information.

Q. When do you anticipate awarding the transaction?

A. We anticipate that we will announce to whom we are awarding to contract shortly after the deadline to submit proposals (March 10) has passed.